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Cassis approves state budget with no new fees or tax increases

LANSING—The state Senate has completed its work on the fiscal year 2006-07 budget, approving spending plans that are balanced without the need for increased fees and taxes.

“Families and workers throughout the state should be very pleased as they once again benefit from a budget with no new taxes or fees,” said Sen. Nancy Cassis, R-Novi. “I am a fighter for fewer and smaller taxes, and maintaining current tax amounts while balancing the budget is important. This will not only help people personally but it should provide a stimulus for businesses and job creation.”

The budget provides for \$41.9 billion of funding authorization. Cassis said she is particularly pleased that she was able to secure funding in the school aid budget for the SAVE the Children program, which she sponsored in the Senate, and the First Robotics program.

“I worked hard to obtain funding for the SAVE and First Robotics programs, and I am so delighted that my colleagues have understood the importance of these initiatives,” said Cassis. “As always, education is the future of our state, and these programs will provide essential opportunities for our young people.”

SAVE the Children will receive \$400,000 in the school aid budget. The grant program helps prevent early learning failure and provides students tools and skills for educational life success. FIRST Robotics, which will receive \$150,000, is a multinational competition in which teams of high school students design, assemble, and test a robot capable of performing a specified task. Cassis has been a strong supporter of the FIRST Robotics program the last 10 years, and she has spoken at program events. Both measures reinforce the fact that strong educational opportunities that prepare young people for careers are essential to Michigan’s economic future.

The school aid budget also provides a \$210 per-pupil increase for K-12 schools, as well as a \$23 equity payment for school districts that are funded under \$7,150. This payment is another step in closing the funding gap between the lowest funded school districts and the state’s highest funded schools.

(more)

Additional highlights of the 2006-07 budget:

- The budget includes a 3 percent funding increase for K-12 school districts, community colleges and public universities.
- The increase for community colleges and universities is the largest increase approved in the past five years.
- The budget includes continued funding for the Tuition Grant Program and Michigan Merit Scholarship.
- State revenue sharing payments to cities, villages and townships are appropriated at the same overall level as the prior fiscal year.
- The budget maintains current Medicaid eligibility.
- The budget provides funding designed to ensure that a greater percentage of welfare recipients find jobs.

The budgets are expected to be signed by the governor prior to the start of the new fiscal year, which starts Oct. 1.

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